THE MANITOBA ECONOMY

PRELIMINARY 2004 PERFORMANCE

MANITOBA
BUREAU OF STATISTICS

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REPORT #4A

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HIGHLIGHTS:

PRELIMINARY MANITOBA GROSS DOMESTIC PRODUCT ESTIMATES FOR 2004

824–155 Carlton St.
Winnipeg, Manitoba
R3C 3H8

- The Manitoba Bureau of Statistics (MBS) preliminary estimates show that the **Manitoba economy grew by 2.8% in 2004,** up over a percentage point from the 1.6% real growth in 2003. **Manitoba's 2.8% real growth in 2004 matches the Canadian projected average growth** currently reported by the private sector forecasting agencies.

- **The new revised data indicates that economic growth in Manitoba was stronger in 2003 at 1.6% compared with 1.4% previously estimated.** Consequently, real gross domestic product (GDP) growth in 2004 has been revised down from 3.0% to 2.8%.

- The key driver behind the solid economic growth was an acceleration of domestic spending, especially in residential construction and consumer expenditures. The spending spree was spurred by low interest rates, strong income growth and encouraging population numbers. Exports to non-US destinations have grown significantly in the last year.

- **The provincial economy generated a record $35.4 billion of real expenditures in 2004 (market price)**. Final domestic demand spending (excluding foreign trade) is estimated at $36.3 billion.

- **Total personal spending is estimated to grow by 2.6% in 2004 to $21.7 billion up from $21.1 billion in 2003**. Retail trade data indicates a 7.6% increase in sales in 2004, ranking Manitoba the second highest amongst the provinces. All categories of consumer spending (durable, non-durable, semi-durable and services) showed positive real growth in 2004. Semi-durable goods, which include personal clothing and hardware items, reported the largest growth at 5.2%, followed by services at 2.8%.

- Following the national trend, housing activity in the province has been robust for the past two years. Canada Mortgage and Housing Corporation (CMHC) estimated total housing starts at approximately 4,440 units in 2004 up from 4,206 units in 2003. **In 2004, total investments in residential structures are estimated to grow by 14.5% to $1.5 billion up from $1.3 billion in 2003.**

- Despite the strong dollar, **Manitoba exports increased significantly in 2004, especially to non-US destinations.** Exports to China increased by 200%, while exports to Hong Kong grew by almost 40%. In contrast, exports to the US increased by 2.9% compared to a decline of 8.1% in 2003. Increased shipments of wheat and nickel are the key factor for this sharp increase to both Mainland China and Hong Kong. **Total real exports are expected to increase by 3.1% in 2004 following a 0.3% increase in 2003.**

- Imports of consumer electronics and housing related products continue to accelerate with strong domestic demand in 2004. Manitoba Hydro benefited from improved weather conditions, as a result, their electricity production levels increased and the level of imports fell. **Lower electricity imports was a factor in slowing total import growth, which is subtracted from GDP, in 2004 to 3.6% down from 4.3% in 2003.**

- **Real Manitoba's GDP at basic prices is estimated to increase by 2.8% in 2004 up from 1.7% in 2003.**

- **The manufacturing sector, which accounts for about 12.3% of industrial production in the province, is expected to accelerate by 3.6% in 2004** up from -0.3% in 2003. Some of the industries that performed well in 2004 are food, wood, machinery & equipment, primary metal and transportation equipment manufacturing.

- **The construction sector is expected to grow by 4.7% in 2004.** This sector was buoyed by a surge in housing starts. In 2004 approximately 4,440 housing starts were reported, up 5.6% from 2003. Spending on repair and renovation work on existing homes also continued at a torrent pace. On the non-residential side, construction slowed slightly in 2004 as several large projects were completed, including the MTS Center and the new bridge across the Red River.

- **Real growth in the mining sector is expected to grow by 8.1% in 2004,** as copper, zinc and gold production levels increased substantially. On the nominal side, prices have increased significantly for all metallic minerals with nickel prices up 32.8%, zinc prices up 12.7%, copper prices up 49.8% and gold prices up 3.6%.

- **Real retail trade GDP increased by 4.5% in 2004.** With the US election campaign profiling Canadian internet pharmacy, Manitoba's mail order drug stores sales rose sharply in 2004. According to Canadian International Pharmacy Association (CIPA), Manitoba sales to the US are valued at about $600 million a year. According to the CIPA, the industry employees about 2,500 workers, including about 150 pharmacist in the province.

- **In current dollar terms, GDP at market prices grew by 5.5% in 2004 to $40.2 billion** up from $38.1 billion in 2003.

- **Total labour income is estimated to grow by 3.9% in 2004** following a 3.6% gain in 2003. **Labour income will mark a record $20.0 billion for the first time.** The leading industries for high labour income growth in 2004 were construction, utilities, and finance, insurance & real estate. These industries all showed over 6% growth rate in 2004.

- **For the third consecutive year, 2004 corporate profits are expected to post double digit growth.** Larger profits are supported by record high mining prices as well as the strengthening Canadian dollar. For certain businesses that depend on imported items, the stronger dollar lowers costs. If these savings are not passed onto buyers, profits will by enhanced.

- Boosted by a significant increase in program payments **farm cash receipts are estimated to grow by 6.7% in 2004**.

- **Crop receipts are estimated to increase by 3.1% in 2004**. Prices for most grains and oilseeds declined in 2004, however marketing levels increased for wheat and canola. In addition, Canadian Wheat Board (CWB) payments increased substantially last year.

- **Livestock receipts are expected to increase by 3.4% in 2004** mainly due to the gains in the hog industry. Hog receipts increased by 18% while cow/calf operators' revenues are expected to fall by 20%, due to the ongoing embargo on live cattle into the U.S.A.

- **Direct program payments are estimated to increase over 40% in 2004,** due to record high withdrawals from the Net Income Stabilization Account (NISA) funds and payments related to the impact of the BSE ban.

- **Accrued net farm income is estimated to grow to $283 million** in 2004, an increase of $83 million from the revised 2003 level of $200 million. Net cash income (receipts minus expenses), which represents cash on hand, is up by $199 million or 39.3%. Operating expenses are estimated to increase by 1.2% in 2004.

- **Unincorporated business income grew by 5.3% in 2004.** This income category was partially driven by the housing boom and earnings from independent businesses such as contractors, and real-estate brokers. Imputed rent of owner occupied dwellings is also included in this income group.

- **The provincial consumer price index (CPI) rose by 2.0% in 2004.** The strong Canadian dollar continued to exert downward pressure on domestic prices. The lowest increases were in clothing and footwear (-1.2%), recreation, education & reading (-0.4%) and household operations and furnishings (1.2%). The highest price increases were reported in alcoholic beverages and tobacco (5.1%), transportation (3.6%) and shelter (2.1%).

- **Manitoba generated 5,400 new jobs last year compared with 3,200 jobs in 2003.** The positive momentum in job creation began in earnest in September 2003. Since September 2003 the province has created 12,900 new jobs, most of which are full-time.

- **Manitoba's population increased by 8,700 individuals in 2004 and by 6,000 in 2003.** The Provincial Nominee Program, which encourages immigration into the province, was a major contributor to population growth. Immigration levels to the province increased by 7,400 individuals in 2004 compared to an average of 4,000 immigrants in the recent past. In addition, the net loss to inter-provincial migration has slowed. **The current annual population of Manitoba is estimated at 1,170,300 individuals a 0.75% growth rate, the fourth highest growth rate in the country.**

- **The positive momentum in both population growth and job creation bodes well for the province's economic and labour market outlook.** This is particularly timely and crucial as the demographic profile of the province indicates that more and more workers are entering the retirement age.

- To match US interest rate hikes the Bank of Canada began increasing Canadian interest rates in September 2004. **The current bank rate is 2.75% set in October 2004.** It should be noted that the interest rates are still at historical low levels and are not expected to climb significantly in the near term.

- **The Canadian dollar appreciated by $.06 (against the U.S. dollar) in 2004 to average $0.77 (US) up from $0.71 in 2003. Since 2002 the dollar has appreciated by $0.13.** If international transactions are contracted for in Canadian dollars, the rapidly rising dollar could be a drawback for many exporters and a windfall for importers.

NOTE TO USERS

This MBS Manitoba Economic Accounts data release is an update to the accounts data published on November 04, 2004. This data series reflects the four-year annual revisions undertaken every fall by Statistics Canada. The extent of the revisions on GDP estimates varies from little or no adjustments to relatively large shifts in some data series. MBS continues to work with Statistics Canada to minimize the impact of revisions on Manitoba's GDP accounts.

Real GDP Growth	1999	2000	2001	2002	2003	Preliminary 2004
MBS February 11, 2005 Release	1.6%	4.3%	0.9%	2.4%	1.6%	2.8%
MBS November 04, 2004 Release	1.6%	4.5%	0.6%	2.3%	1.4%	3.0%
Percent Difference	0.0%	-0.2%	0.3%	0.1%	0.2%	-0.2%

The above table shows the revision to the MBS data in percentage terms. The revisions to real GDP growth have been marginal with the largest change in real growth rate at 0.3% in 2001.

Details on the revisions for all key expenditure components are provided in Table 9. The net effects of changes to the expenditure components were an overall real GDP decrease of $70 million in 2000, an increase of $27 million in 2001, $49 million increase in 2002, $117 million in 2003 and $49 million in 2004.

The MBS estimates differ from the average of the major private sector provincial forecasts (consensus forecast) monitored by Manitoba Finance. Currently, the consensus forecast estimates real growth in 2004 at 3.0%, while the corresponding MBS estimate is 2.8%. On the nominal accounts, the consensus projects 5.2% growth compared with MBS's 5.5%.

GDP Preliminary Estimates For 2004	Real GDP Growth	Nominal GDP Growth
MBS February 11, 2005 Release	2.8%	5.5%
Consensus Forecast	3.0%	5.5%
Percent Difference	-0.2%	0.0%

For more information on this publication please contact **Earl Turnbull** at (204) 945-2995. (eturnbull@mbs.gov.mb.ca), or **Narendra Budhia** at (204) 945-2430. (nbudhia@mbs.gov.mb.ca)

GRAPHICAL SUMMARY

(1) GDP at Market Prices, Chained 1997 Dollars

(2) Final Domestic Demand, Chained 1997 Dollars

(3) Personal Expenditure, Chained 1997 Dollars

(4) Government Expenditure, Chained 1997 Dollars

(5) Business Expenditure, Chained 1997 Dollars

(6) Total Exports, Chained 1997 Dollars

(7) International Exports, Chained 1997 Dollars

(8) Total Imports, Chained 1997 Dollars

(9) International Imports, Chained 1997 Dollars

(10) Labour Income, Current Dollars

(11) Accrued Net Farm Income, Current Dollars

(12) Personal Disposable Income, Current Dollars

TABLE SUMMARY

(1) Manitoba Gross Domestic Product, expenditure-based in Chained $1997

(2) Manitoba Gross Domestic Product, expenditure-based in Current Dollars

(3) Manitoba Gross Domestic Product, income-based in Current Dollars

(4) Manitoba Personal Income, sources and disposition in Current Dollars

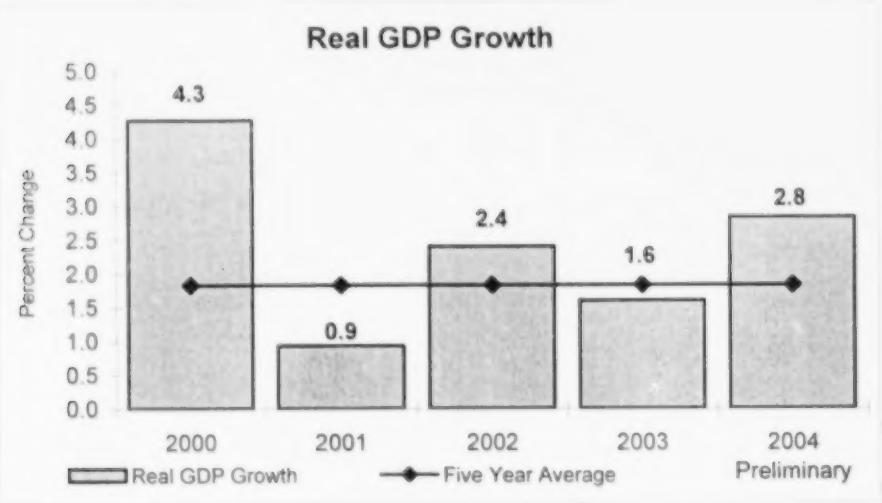
(5) Manitoba Farm Income, reconciliation in Current Dollars

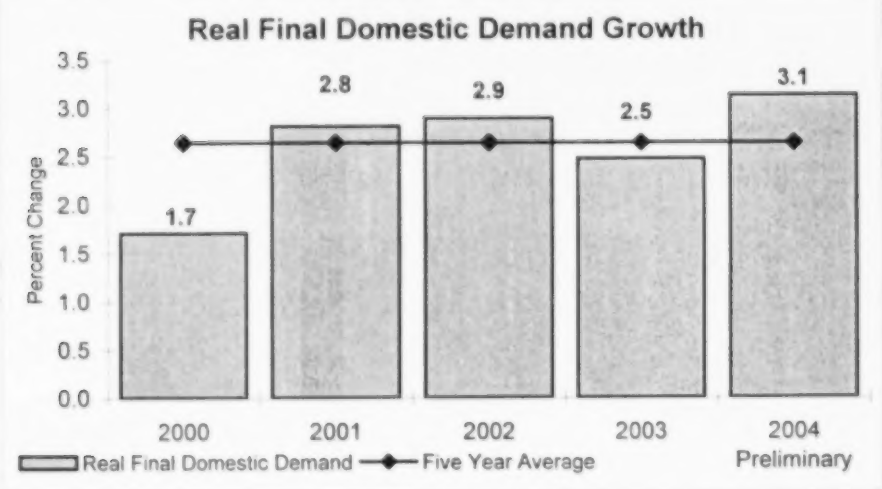
(6) Manitoba Price Indexes (Chained 1997 Dollars)

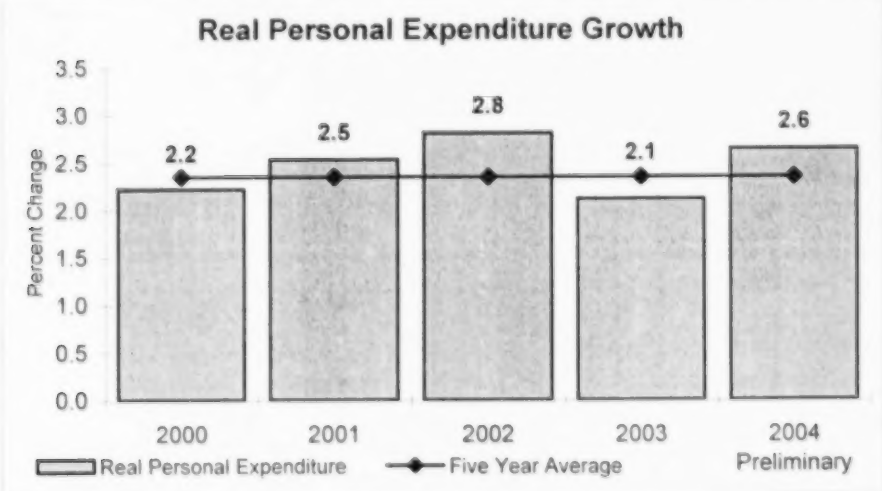
(7) Gross Domestic Product, by Industry in $1997 Prices

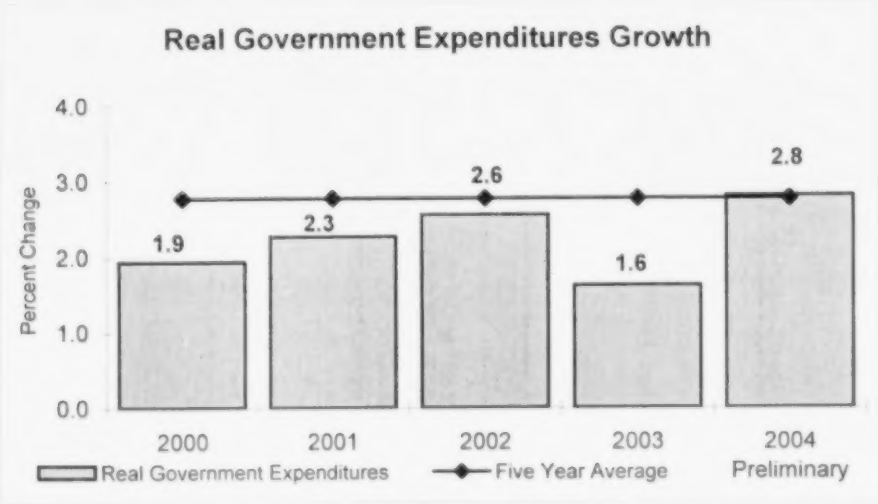
(8) Gross Domestic Product by Industry, Industrial Share

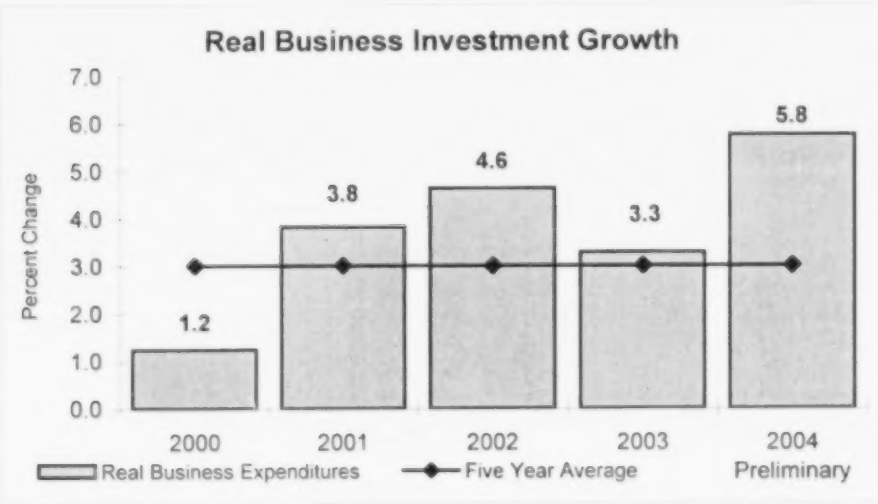
(9) Comparison Between November 2004 and February 2005 Publications, Gross Domestic Product, expenditure-based in Chained $1997

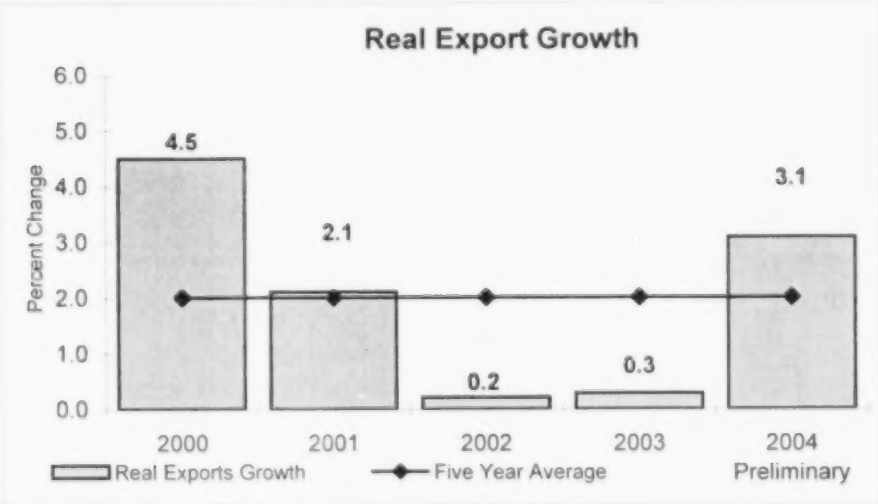

Real GDP Growth
Percent Change
5.0
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
4.3
0.9
2.4
1.6
2.8
2000
2001
2002
2003
2004
Preliminary
Real GDP Growth
Five Year Average

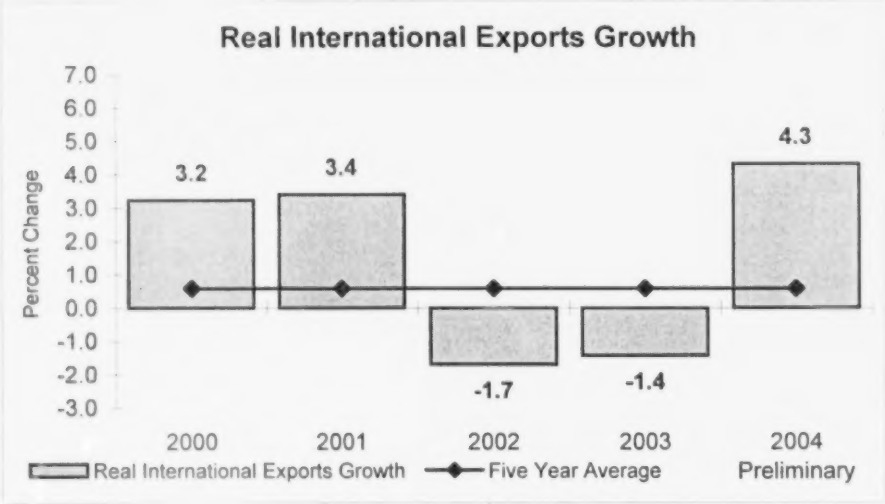

Real Final Domestic Demand Growth
Percent Change
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
1.7
2.8
2.9
2.5
3.1
2000
2001
2002
2003
2004
Preliminary
Real Final Domestic Demand
Five Year Average

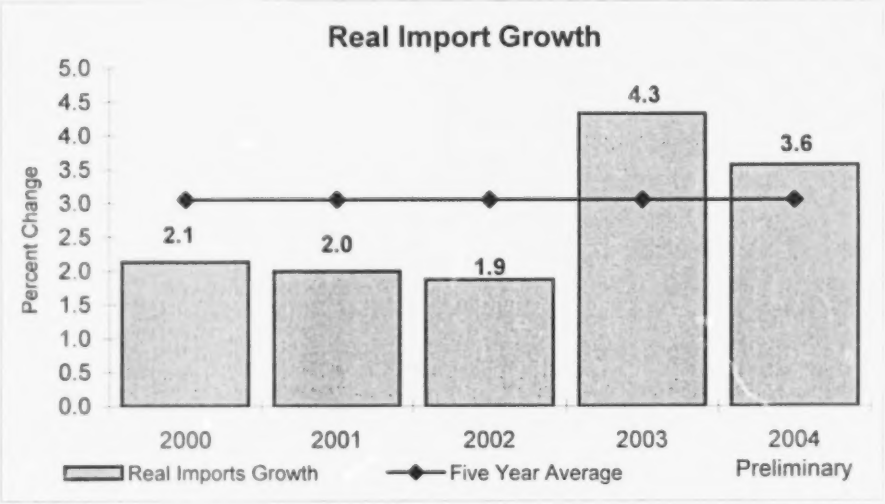

Real Personal Expenditure Growth
Percent Change
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
2.2
2.5
2.8
2.1
2.6
2000
2001
2002
2003
2004
Preliminary
Real Personal Expenditure
Five Year Average


Real Government Expenditures Growth
4.0
3.0
2.0
1.0
0.0
Percent Change
1.9
2.3
2.6
1.6
2.8
2000
2001
2002
2003
2004
Preliminary
Real Government Expenditures
Five Year Average

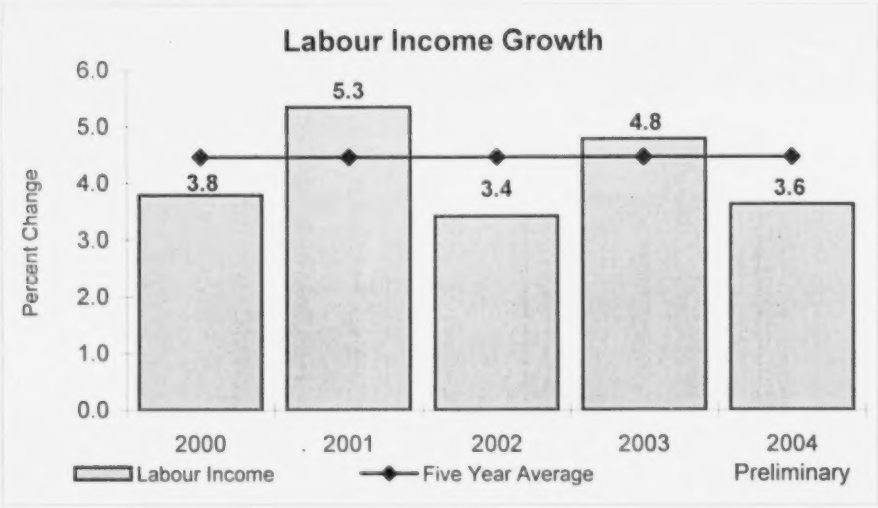

Real Business Investment Growth
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
Percent Change
1.2
3.8
4.6
3.3
5.8
2000
2001
2002
2003
2004
Preliminary
Real Business Expenditures
Five Year Average

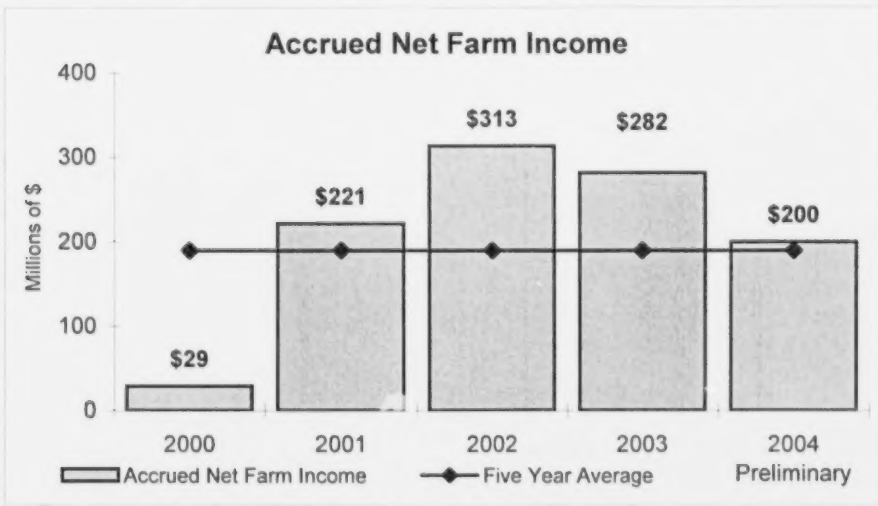

Real Export Growth
6.0
5.0
4.0
3.0
2.0
1.0
0.0
Percent Change
4.5
2.1
0.2
0.3
3.1
2000
2001
2002
2003
2004
Preliminary
Real Exports Growth
Five Year Average


Real International Exports Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
-1.0
-2.0
-3.0
3.2
3.4
-1.7
-1.4
4.3
2000
2001
2002
2003
2004
Preliminary
Real International Exports Growth
Five Year Average


Real Import Growth
Percent Change
5.0
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
2.1
2.0
1.9
4.3
3.6
2000
2001
2002
2003
2004
Preliminary
Real Imports Growth
Five Year Average

Real International Imports Growth
Percent Change
8.0
6.0
4.0
2.0
0.0
-2.0
-4.0
-6.0
4.1
-3.6
4.3
6.7
6.5
2000
2001
2002
2003
2004
Preliminary
Real International Imports Growth
Five Year Average


Labour Income Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
3.8
5.3
3.4
4.8
3.6
2000
2001
2002
2003
2004
Preliminary
Labour Income
Five Year Average


Accrued Net Farm Income
Millions of $
400
300
200
100
0
$29
$221
$313
$282
$200
2000
2001
2002
2003
2004
Preliminary
Accrued Net Farm Income
Five Year Average

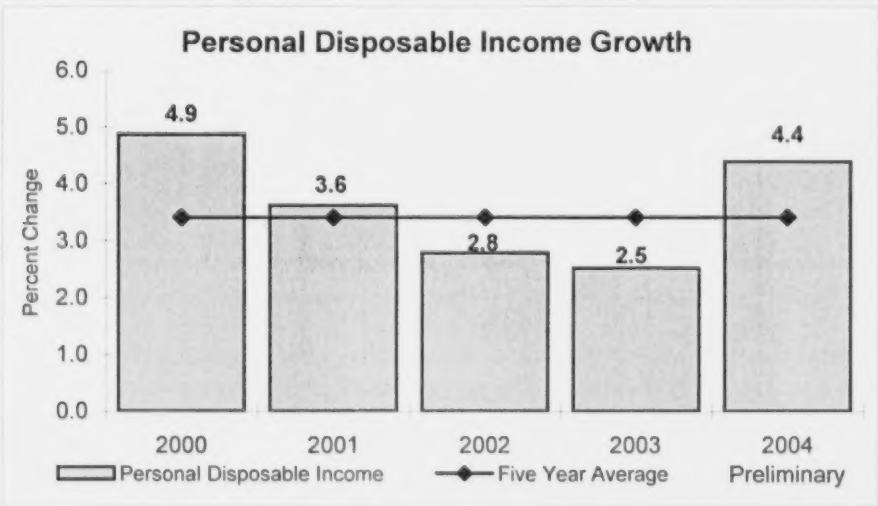

Personal Disposable Income Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
4.9
3.6
2.8
2.5
4.4
2000
2001
2002
2003
2004
Preliminary
Personal Disposable Income
Five Year Average

TABLE 1

REAL MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
	(MILLIONS OF CHAINED 1997 DOLLARS)					
PERSONAL EXPENDITURE	19,199	19,625	20,123	20,690	21,129	21,688
	2.1	2.2	2.5	2.8	2.1	2.6
GOVERNMENT EXPENDITURE	7,064	7,201	7,364	7,552	7,675	7,891
	5.5	1.9	2.3	2.6	1.6	2.8
GOVERNMENT INVESTMENT IN CAPITAL	789	707	774	749	873	893
	28.4	-10.4	9.5	-3.2	16.5	2.3
STRUCTURES	539	435	492	483	559	569
	23.2	-19.4	13.2	-1.8	15.6	1.8
MACHINERY AND EQUIPMENT	251	279	287	269	319	330
	42.1	11.4	2.7	-6.1	18.6	3.4
GOVERNMENT INVESTMENT IN INVENTORIES	0	1	0	-2	-2	-2
BUSINESS INVESTMENT	4,902	4,963	5,152	5,392	5,569	5,890
	2.0	1.2	3.8	4.6	3.3	5.8
RESIDENTIAL STRUCTURES	992	1,026	1,126	1,252	1,347	1,543
	-5.1	3.4	9.7	11.2	7.6	14.5
NON-RESIDENTIAL STRUCTURES	1,335	1,117	1,256	1,203	1,195	1,190
	-12.6	-16.3	12.4	-4.2	-0.7	-0.4
MACHINERY AND EQUIPMENT	2,581	2,842	2,782	2,953	3,045	3,166
	15.8	10.1	-2.1	6.2	3.1	4.0
BUSINESS INVESTMENT IN INVENTORIES	201	515	-171	87	646	636
NON-FARM	179	249	-97	137	149	145
FARM	15	275	-74	-56	526	580
EXPORTS OF GOODS AND SERVICES	19,607	20,490	20,921	20,967	21,027	21,676
	2.9	4.5	2.1	0.2	0.3	3.1
EXPORTS TO OTHER COUNTRIES	9,640	9,951	10,289	10,115	9,970	10,402
	-0.6	3.2	3.4	-1.7	-1.4	4.3
EXPORTS TO OTHER PROVINCES	9,968	10,540	10,630	10,854	11,060	11,278
	6.5	5.7	0.9	2.1	1.9	2.0
DEDUCT: IMPORTS OF GOODS AND SERVICES	20,296	20,729	21,142	21,537	22,469	23,270
	4.9	2.1	2.0	1.9	4.3	3.6
IMPORTS FROM OTHER COUNTRIES	9,669	10,070	9,706	10,119	10,793	11,492
	1.1	4.1	-3.6	4.3	6.7	6.5
IMPORTS FROM OTHER PROVINCES	10,633	10,668	11,434	11,416	11,687	11,825
	8.7	0.3	7.2	-0.2	2.4	1.2
STATISTICAL DISCREPANCY	1	42	95	12	23	56
REAL GDP AT MARKET PRICES	**31,458**	**32,801**	**33,108**	**33,904**	**34,447**	**35,422**
	-0.1	4.3	0.9	2.4	1.6	2.8
REAL FINAL DOMESTIC DEMAND	31,951	32,497	33,411	34,378	35,229	36,333
	3.3	1.7	2.8	2.9	2.5	3.1

TABLE 2

MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
	(MILLIONS OF CURRENT DOLLARS)					
PERSONAL EXPENDITURE	19,776	20,602	21,584	22,657	23,511	24,522
	4.0	4.2	4.8	5.0	3.8	4.3
GOVERNMENT EXPENDITURE	7,326	7,874	8,139	8,572	8,984	9,432
	7.5	7.5	3.4	5.3	4.8	5.0
GOVERNMENT INVESTMENT IN CAPITAL	790	729	799	778	904	936
	27.8	-7.7	9.6	-2.6	16.2	3.6
STRUCTURES	555	470	537	536	635	656
	25.1	-15.4	14.3	-0.2	18.4	3.3
MACHINERY AND EQUIPMENT	235	260	262	242	270	281
	34.6	10.5	0.9	-7.5	11.2	4.1
GOVERNMENT INVESTMENT IN INVENTORIES	0	1	0	-2	0	0
BUSINESS INVESTMENT	4,972	5,085	5,354	5,686	5,774	6,185
	1.5	2.3	5.3	6.2	1.5	7.1
RESIDENTIAL STRUCTURES	1,020	1,074	1,201	1,364	1,519	1,819
	-3.2	5.3	11.8	13.6	11.4	19.8
NON-RESIDENTIAL STRUCTURES	1,393	1,207	1,368	1,340	1,358	1,417
	-10.8	-13.4	13.4	-2.1	1.4	4.4
MACHINERY AND EQUIPMENT	2,559	2,804	2,784	2,982	2,897	2,948
	12.1	9.6	-0.7	7.1	-2.9	1.8
BUSINESS INVESTMENT IN INVENTORIES	221	389	-125	9	292	257
NON-FARM	368	241	-52	159	185	176
FARM	-147	148	-73	-150	107	81
EXPORTS OF GOODS AND SERVICES	19,629	21,309	22,141	22,546	22,400	23,176
	3.2	8.6	3.9	1.8	-0.6	3.5
EXPORTS TO OTHER COUNTRIES	9,626	10,453	11,008	10,943	10,585	11,086
	-0.9	8.6	5.3	-0.6	-3.3	4.7
EXPORTS TO OTHER PROVINCES	10,003	10,856	11,133	11,603	11,815	12,090
	7.4	8.5	2.5	4.2	1.8	2.3
DEDUCT: IMPORTS OF GOODS AND SERVICES	20,776	21,990	22,842	23,401	23,816	24,391
	5.5	5.8	3.9	2.4	1.8	2.4
IMPORTS FROM OTHER COUNTRIES	9,953	10,473	10,454	10,943	10,873	11,150
	0.3	5.2	-0.2	4.7	-0.6	2.6
IMPORTS FROM OTHER PROVINCES	10,823	11,518	12,388	12,457	12,944	13,241
	10.8	6.4	7.6	0.6	3.9	2.3
STATISTICAL DISCREPANCY	1	44	101	13	25	64
GDP AT MARKET PRICES	**31,940**	**34,042**	**35,149**	**36,859**	**38,074**	**40,181**
	1.6	6.6	3.3	4.9	3.3	5.5
FINAL DOMESTIC DEMAND	32,864	34,290	35,875	37,694	39,173	41,075
	4.8	4.3	4.6	5.1	3.9	4.9

TABLE 3

MANITOBA GROSS DOMESTIC PRODUCT
INCOME-BASED IN CURRENT DOLLARS
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
	(MILLIONS OF CURRENT DOLLARS)					
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME	16,275	17,146	17,733	18,581	19,256	20,011
	3.8	5.3	3.4	4.8	3.6	3.9
CORPORATION PROFITS BEFORE TAXES	2,600	2,890	2,812	3,179	3,558	4,147
	8.7	11.2	-2.7	13.1	11.9	16.5
INTEREST AND MISCELLANEOUS INVESTMENT INCOME	2,702	3,041	3,033	2,720	2,363	2,714
	2.7	12.5	-0.3	-10.3	-13.1	14.9
ACCRUED NET INCOME OF FARM OPERATORS	29	221	313	282	200	283
	-71.5	667.8	41.6	-10.1	-29.0	41.6
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,209	2,245	2,357	2,472	2,541	2,675
	4.2	1.7	5.0	4.9	2.8	5.3
INVENTORY VALUATION ADJUSTMENT	-43	-93	-70	-84	142	-21
TAXES LESS SUBSIDIES ON FACTORS OF PRODUCTION	1,735	1,777	1,757	1,824	1,873	1,936
	1.1	2.4	-1.1	3.8	2.7	3.4
NET DOMESTIC PRODUCT AT BASIC PRICES	**25,507**	**27,227**	**27,935**	**28,974**	**29,932**	**31,746**
	3.8	6.7	2.6	3.7	3.3	6.1
TAXES LESS SUBSIDIES ON PRODUCTS	2,275	2,482	2,676	3,001	2,989	3,011
	-2.6	9.1	7.8	12.1	-0.4	0.7
CAPITAL CONSUMPTION ALLOWANCES	4,159	4,377	4,638	4,898	5,177	5,488
	5.0	5.2	6.0	5.6	5.7	6.0
STATISTICAL DISCREPANCY	-1	-44	-101	-13	-25	-64
GROSS DOMESTIC PRODUCT AT MARKET PRICES	**31,940**	**34,042**	**35,149**	**36,859**	**38,074**	**40,181**
	5.2	6.6	3.3	4.9	3.3	5.5
GROSS DOMESTIC PRODUCT AT BASIC PRICES	29,665	31,560	32,473	33,858	35,085	37,170
	5.8	6.4	2.9	4.3	3.6	5.9

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MANITOBA ECONOMIC ACCOUNTS
TABLE 3

TABLE 4

MANITOBA PERSONAL INCOME
SOURCES AND DISPOSITION
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
	(MILLIONS OF CURRENT DOLLARS)					
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME*	16,339	17,221	17,833	18,713	19,391	20,128
	3.8	5.4	3.6	4.9	3.6	3.8
ACCRUED NET INCOME OF FARM OPERATORS	29	221	313	282	200	283
	-71.5	667.8	41.6	-10.1	-29.0	41.6
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,209	2,245	2,357	2,472	2,541	2,675
	4.2	1.7	5.0	4.9	2.8	5.3
INTEREST, DIVIDENDS AND MISCELLANEOUS INVESTMENT INCOME	3,712	3,889	3,814	3,422	3,358	3,450
	3.0	4.8	-1.9	-10.3	-1.9	2.7
CURRENT TRANSFERS:						
FROM GOVERNMENT	4,460	4,652	4,795	4,978	5,114	5,309
	-0.2	4.3	3.1	3.8	2.7	3.8
FROM CORPORATIONS	43	55	56	59	63	66
	13.2	27.9	1.8	5.4	6.8	4.4
FROM NON-RESIDENTS	85	88	91	95	94	97
	1.2	3.5	3.4	4.4	-1.1	3.2
PERSONAL INCOME	**26,877**	**28,371**	**29,259**	**30,021**	**30,760**	**32,009**
	2.8	5.6	3.1	2.6	2.5	4.1
DEDUCT:						
CURRENT TRANSFERS TO GOVERNMENT	5,786	6,253	6,340	6,463	6,609	6,798
	1.1	8.1	1.4	1.9	2.3	2.9
EQUALS:						
PERSONAL DISPOSABLE INCOME	**21,091**	**22,118**	**22,919**	**23,558**	**24,151**	**25,211**
	3.2	4.9	3.6	2.8	2.5	4.4
DEDUCT:						
PERSONAL EXPENDITURE ON CONSUMER GOODS AND SERVICES	19,776	20,602	21,584	22,657	23,511	24,522
	4.0	4.2	4.8	5.0	3.8	4.3
CURRENT TRANSFERS TO CORPORATIONS	269	338	352	321	353	364
	10.2	25.7	4.1	-8.8	10.0	3.2
CURRENT TRANSFERS TO NON-RESIDENTS	65	71	78	91	96	102
	20.4	9.2	9.9	16.7	5.5	6.5
EQUALS:						
PERSONAL SAVING	981	1,107	905	489	191	222
	-11.5	12.9	-18.2	-46.0	-60.9	16.2
PERSONAL SAVINGS RATE	**4.7**	**5.0**	**4.0**	**2.1**	**0.8**	**0.9**

* LABOUR INCOME BASED ON PROVINCE OF RESIDENCE.

TABLE 5

MANITOBA FARM INCOME
RECONCILIATION
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
	(MILLIONS OF CURRENT DOLLARS)					
TOTAL FARM CASH RECEIPTS	2,908	3,151	3,701	3,853	3,539	3,775
	-1.0	8.3	17.5	4.1	-8.1	6.7
CROPS	1,401	1,313	1,519	1,918	1,678	1,730
	-14.0	-6.3	15.8	26.2	-12.5	3.1
LIVESTOCK	1,291	1,551	1,800	1,716	1,553	1,607
	6.1	20.1	16.0	-4.6	-9.5	3.4
DIRECT PAYMENTS	216	287	382	219	308	438
	134.6	32.9	33.1	-42.7	40.7	42.3
MINUS: OPERATING EXPENSES	2,376	2,563	2,790	2,928	3,031	3,067
	-0.2	7.9	8.8	5.0	3.5	1.2
= NET CASH INCOME	**532**	**587**	**912**	**925**	**509**	**708**
	-4.5	10.4	55.3	1.5	-45.0	39.3
PLUS: INCOME IN KIND	10	9	9	8	8	8
	13.7	-8.7	-4.3	-5.0	-1.9	-0.5
MINUS: DEPRECIATION CHARGES	389	387	398	397	427	431
	3.3	-0.5	2.8	-0.1	7.4	1.1
= REALIZED NET INCOME	**153**	**209**	**522**	**536**	**90**	**285**
	-19.2	36.9	149.6	2.6	-83.2	216.6
PLUS: VALUE OF INVENTORY CHANGE	-149	98	-9	-126	127	5
MINUS: AMOUNTS INCLUDED IN OTHER COMPONENTS OF GDP	30	68	91	102	56	39
	7.1	126.7	33.8	12.1	-45.1	-30.4
PLUS: FARM CASH ADJUSTMENTS	41	-7	-95	-23	1	17
= NET INCOME RECEIVED BY FARM OPERATORS FROM FARM PRODUCTION	**15**	**232**	**328**	**286**	**162**	**268**
	-57.6	1467.9	41.4	-13.0	-43.3	65.5
PLUS: ADJUSTMENT ON GRAIN TRANSACTIONS	14	-11	-15	-4	38	15
= ACCRUED NET INCOME OF FARM OPERATORS	**29**	**221**	**313**	**282**	**200**	**283**
	-27.9	667.8	41.6	-10.1	-29.0	41.6

TABLE 6

MANITOBA PRICE INDEXES
(CHAINED 1997 DOLLARS)
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
PERSONAL EXPENDITURE	103.0	105.0	107.3	109.5	111.3	113.1
	1.9	1.9	2.2	2.1	1.6	1.6
GOVERNMENT EXPENDITURE	103.7	109.4	110.5	113.5	117.1	119.5
	1.9	5.4	1.1	2.7	3.1	2.1
GOVERNMENT INVESTMENT IN CAPITAL	100.2	103.2	103.3	103.9	103.6	104.9
	-0.5	3.0	0.1	0.7	-0.3	1.2
STRUCTURES	103.0	108.1	109.1	111.0	113.6	115.3
	1.6	5.0	1.0	1.7	2.4	1.5
MACHINERY AND EQUIPMENT	93.6	92.9	91.3	90.0	84.4	85.0
	-5.3	-0.8	-1.7	-1.5	-6.2	0.7
BUSINESS INVESTMENT	101.4	102.5	103.9	105.5	103.7	105.0
	-0.5	1.0	1.4	1.5	-1.7	1.3
RESIDENTIAL STRUCTURES	102.8	104.7	106.7	109.0	112.8	117.9
	2.0	1.8	1.9	2.1	3.5	4.6
NON-RESIDENTIAL STRUCTURES	104.3	108.0	109.0	111.4	113.7	119.1
	2.1	3.5	0.9	2.2	2.0	4.8
MACHINERY AND EQUIPMENT	99.1	98.6	100.1	101.0	95.1	93.1
	-3.1	-0.5	1.4	0.9	-5.8	-2.1
EXPORTS OF GOODS AND SERVICES	100.1	104.0	105.8	107.5	106.5	106.9
	0.3	3.9	1.8	1.6	-0.9	0.4
EXPORTS TO OTHER COUNTRIES	99.9	105.0	107.0	108.2	106.2	106.6
	-0.2	5.2	1.8	1.1	-1.9	0.4
EXPORTS TO OTHER PROVINCES	100.4	103.0	104.7	106.9	106.8	107.2
	0.8	2.6	1.7	2.1	-0.1	0.4
DEDUCT: IMPORTS OF GOODS AND SERVICES	102.4	106.1	108.0	108.7	106.0	104.8
	0.6	3.6	1.8	0.6	-2.4	-1.1
IMPORTS FROM OTHER COUNTRIES	102.9	104.0	107.7	108.1	100.7	97.0
	-0.9	1.0	3.6	0.4	-6.8	-3.7
IMPORTS FROM OTHER PROVINCES	101.8	108.0	108.3	109.1	110.7	112.0
	2.0	6.1	0.4	0.7	1.5	1.1
GDP AT MARKET PRICES	101.5	103.8	106.2	108.7	110.5	113.4
	1.7	2.2	2.3	2.4	1.7	2.6
FINAL DOMESTIC DEMAND	102.9	105.5	107.4	109.6	111.2	113.1
	1.5	2.6	1.8	2.1	1.4	1.7

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TABLE 7

REAL GROSS DOMESTIC PRODUCT BY INDUSTRY*
BASIC PRICES
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
	(Millions of Chained 1997 Dollars)					
AGRICULTURE	1,509	1,700	1,399	1,448	1,589	1,538
	0.8	12.7	-17.7	3.5	9.8	-3.2
FORESTRY, FISHING & HUNTING	59	67	71	76	77	81
	58.1	14.2	4.7	7.3	2.4	4.7
MINING, OIL & GAS EXTRACTION	550	673	627	576	508	549
	-11.3	22.5	-6.8	-8.2	-11.8	8.1
UTILITIES	976	1,020	1,023	967	871	887
	-5.7	4.5	0.4	-5.5	-9.9	1.8
CONSTRUCTION	1,300	1,204	1,416	1,422	1,449	1,517
	-3.7	-7.4	17.6	0.4	1.9	4.7
MANUFACTURING	3,581	3,918	3,856	3,916	3,906	4,046
	-5.9	9.4	-1.6	1.6	-0.3	3.6
WHOLESALE TRADE	1,851	1,883	1,913	2,024	2,091	2,131
	3.8	1.7	1.6	5.8	3.3	1.9
RETAIL TRADE	1,675	1,754	1,880	1,975	2,057	2,149
	8.8	4.7	7.2	5.1	4.1	4.5
TRANSPORTATION & WAREHOUSING	2,071	2,148	2,131	2,125	2,144	2,174
	7.5	3.7	-0.7	-0.3	0.9	1.4
INFORMATION & CULTURAL INDUSTRIES & ARTS & ENTERTAINMENT	1,188	1,272	1,365	1,442	1,508	1,537
	3.0	7.1	7.3	5.6	4.6	1.9
FINANCE & INSURANCE & REAL ESTATE & RENTAL & LEASING	5,721	5,868	6,042	6,312	6,464	6,664
	2.8	2.6	3.0	4.5	2.4	3.1
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	815	7[illegible]3	752	764	807	833
	14.2	-7.[illegible]	-0.2	1.6	5.6	3.3
MANAGEMENT OF COMPANIES & ENTERPRISES & ADMINISTRATIVE & OTHER SUPPORT	484	440	461	473	488	498
	16.3	-9.1	4.8	2.5	3.3	2.0
EDUCATION SERVICES	1,546	1,574	1,565	1,594	1,615	1,654
	3.7	1.8	-0.5	1.8	1.3	2.4
HEALTH CARE & SOCIAL SERVICES	2,186	2,223	2,318	2,397	2,477	2,528
	4.1	1.7	4.3	3.4	3.4	2.0
ACCOMMODATION AND FOOD SERVICES	661	769	816	815	793	774
	-3.1	16.3	6.1	-0.2	-2.7	-2.4
OTHER SERVICES	788	842	892	916	926	938
	-1.7	6.8	6.0	2.6	1.2	1.3
PUBLIC ADMINISTRATION	2,182	2,278	2,172	2,207	2,227	2,277
	3.5	4.4	-4.7	1.6	0.9	2.3
GROSS DOMESTIC PRODUCT AT BASIC PRICES	29,079	30,320	30,604	31,340	31,871	32,778
	1.6	4.3	0.9	2.4	1.7	2.8

* BASED ON THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

TABLE 8

REAL GROSS DOMESTIC PRODUCT BY INDUSTRY*
INDUSTRIAL SHARE
1999 - 2004

	1999	2000	2001	2002	2003	2004 Preliminary
	(Share of Total)					
AGRICULTURE	5.2	5.6	4.6	4.6	5.0	4.7
FORESTRY, FISHING & HUNTING	0.2	0.2	0.2	0.2	0.2	0.2
MINING, OIL & GAS EXTRACTION	1.9	2.2	2.0	1.8	1.6	1.7
UTILITIES	3.4	3.4	3.3	3.1	2.7	2.7
CONSTRUCTION	4.5	4.0	4.6	4.5	4.5	4.6
MANUFACTURING	12.3	12.9	12.6	12.5	12.3	12.3
WHOLESALE TRADE	6.4	6.2	6.3	6.5	6.6	6.5
RETAIL TRADE	5.8	5.8	6.1	6.3	6.5	6.6
TRANSPORTATION & WAREHOUSING	7.1	7.1	7.0	6.8	6.7	6.6
INFORMATION & CULTURAL INDUSTRIES & ARTS & ENTERTAINMENT	4.1	4.2	4.5	4.6	4.7	4.7
FINANCE & INSURANCE & REAL ESTATE & RENTAL & LEASING	19.7	19.4	19.7	20.1	20.3	20.3
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	2.8	2.5	2.5	2.4	2.5	2.5
MANAGEMENT OF COMPANIES & ENTERPRISES & ADMINISTRATIVE & OTHER SUPPORT	1.7	1.5	1.5	1.5	1.5	1.5
EDUCATION SERVICES	5.3	5.2	5.1	5.1	5.1	5.0
HEALTH CARE & SOCIAL SERVICES	7.5	7.3	7.6	7.6	7.8	7.7
ACCOMMODATION AND FOOD SERVICES	2.3	2.5	2.7	2.6	2.5	2.4
OTHER SERVICES	2.7	2.8	2.9	2.9	2.9	2.9
PUBLIC ADMINISTRATION	7.5	7.5	7.1	7.0	7.0	6.9
GROSS DOMESTIC PRODUCT AT BASIC PRICES	100.0	100.0	100.0	100.0	100.0	100.0

* BASED ON THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

TABLE 9

REAL MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
COMPARISON BETWEEN FEBRUARY 2005
And NOVEMBER 2004 PUBLICATIONS
1999 -2004

	1999	2000	2001	2002	2003	2004
	(MILLIONS OF CHAINED 1997 DOLLARS)					
PERSONAL EXPENDITURE	0	-44	-66	-57	-148	-154
GOVERNMENT EXPENDITURE	0	-53	-68	-8	-87	-70
GOVERNMENT INVESTMENT IN CAPITAL	0	-1	25	-23	49	26
GOVERNMENT INVESTMENT IN INVENTORIES	0	0	0	0	0	0
BUSINESS INVESTMENT	0	-19	0	-7	34	-9
BUSINESS INVESTMENT IN INVENTORIES	1	-14	88	26	68	-109
EXPORTS OF GOODS AND SERVICES	0	-141	106	163	509	980
EXPORTS TO OTHER COUNTRIES	0	-194	42	270	419	511
EXPORTS TO OTHER PROVINCES	0	54	62	-114	81	464
DEDUCT: IMPORTS OF GOODS AND SERVICES	0	-119	-54	69	-16	236
IMPORTS FROM OTHER COUNTRIES	0	143	-303	-47	232	494
IMPORTS FROM OTHER PROVINCES	0	-260	242	110	-239	-224
STATISTICAL DISCREPANCY	15	94	-115	19	-117	190
REAL GDP AT MARKET PRICES	**16**	**-70**	**27**	**49**	**117**	**49**
REAL FINAL DOMESTIC DEMAND	0	-127	-112	-94	-161	-212

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MANITOBA ECONOMIC ACCOUNTS
TABLE 9

Manitoba